

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING
April 1, 2026

REGULAR AGENDA
ITEM 4

City of Punta Gorda Water Purchase Request

Presenter - Richard Anderson, Executive Director

Recommended Action - **Motion** to approve the request to purchase water by the City of Punta Gorda up to the quantities identified in the 5-Year Water Supply Projections table in Tab B, subject to annual available quantities.

Maintaining regional interconnections in a state of continued readiness is critical to system resiliency by supporting water transfer and supply options for operational flexibility and during emergencies. The Authority owns and operates two regional interconnects with the City of Punta Gorda which facilitates that operational readiness. The Phase 1A Transmission Main was placed in service in October 2012 and includes approximately nine-miles of 24-inch diameter pipeline, and a 6 MGD pumping station with 500,000 gallon finished water storage tank. The Phase 1 Transmission Main was Placed into service in June 2020 and includes approximately 7 miles of 24-inch diameter pipeline and a direct connection to the City’s Shell Creek WTP.

The operation of the interconnect facilities is governed by the ‘*Water Systems Interconnect and Water Transfer Contract Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda*’ effective September 3, 2013, twice amended February 17, 2016 and December 4, 2019 (“Agreement”). The Agreement allows for water exchange between the City and Authority to maintain the system in a state of operational readiness as well as the ability for either party to purchase water should quantities be available.

On March 6, 2026 the city submitted a request to purchase water on a temporary basis until completion of the Shell Creek Reverse Osmosis Expansion. Water supply projections provided by the City indicate an Annual Average Day need of 0.23 million gallons per day in FY 2026, increasing to 0.53 million gallons per day in FY 2031. The Agreement stipulates Available Water may be supplied after all water supply needs of Authority customers are met and requires annual verification of those available quantities. Available Water is provided via the Authority Re-distribution Pool. A review of available Re-distribution Pool quantities show water is available for purchase by Punta Gorda in FY 2026 and FY 2027.

Staff recommends approval of Punta Gorda’s request to purchase water as identified in their March 6, 2026 letter and Water Supply Projection table subject to annual available quantities.

Budget Action: No action needed.

Attachments:

Tab A Presentation Materials

Tab B City of Punta Gorda Letter

Tab C Second Amendment to Water Systems Interconnect and Water Transfer Contract Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda

TAB A
Presentation Materials

City of Punta Gorda Water Purchase Request

Regular Item 4
April 1, 2026



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PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY REGIONAL VISION FOR 2044



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Background

1. Phase 1A TM and Pumping station
Operational October 2012
2. Phase 1 Interconnect
Operational July 2020

Highlights:

- Increase system resiliency
- Provide backup supply to City and Region
- Meet rotational capacity and seasonal demands
- Cooperative Funding by SWFWMD
- Water is exchanged daily

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Water Exchange Highlights

The City has been an excellent Regional Partner

Regular water exchange since October 2012
Over **3.9 Billion Gallons** Exchanged to date
(Average of 780,000 gallons per day)

Provides:

Maintains system in "ready to serve" status
Routine maintenance opportunities
Manage unplanned shutdowns
Proactive operation for emergencies/hurricanes
Meet seasonal demands



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Water Purchase Request

1. Due to growth, Punta Gorda is requesting to purchase water to bridge the gap in demands until their plant expansion is complete.
2. The need is seasonal and weather dependent. Potential low flow conditions in Shell Creek limit withdrawals during Spring dry season.
3. Water exchange provision can mitigate quantity purchased each year.



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City of Punta Gorda 5-Year Water Supply Projections						
Year	Annual Avg Daily Demand (MGD)	Peak Month (1.26x AADD) ⁽¹⁾ (MGD)	Max Day (1.6x AADD) ⁽¹⁾ (MGD)	Available Capacity ⁽²⁾	PRMRWSA Request Peak Month (MGD)	PRMRWSA Request (AADD MGD)
FY26	6.58	8.29	10.53	8.00	0.29	0.23
FY27	6.64	8.37	10.62	8.00	0.37	0.29
FY28	6.70	8.44	10.72	8.00	0.44	0.35
FY29	6.77	8.53	10.83	8.00	0.53	0.42
FY30	6.83	8.61	10.93	8.00	0.53	0.42
FY31	6.88	8.67	11.01	8.00	0.67	0.53

Note: Represents the City's existing service area as served by the City of Punta Gorda Utilities. The City's future water demand projections were calculated by multiplying each year's population increase, based on BEBR projections, by an assumed per capita water use of 138 gpcd. This annual increase was then added to the previous year's water demand to estimate each year's annual average demand. Taken from the City of Punta Gorda Water Supply Plan - Final | 2024.

(1) Over the past 5 years, the highest monthly peaking factor occurred in 2021 at 1.26 and for maximum day peaking factor occurred in 2022 at 1.60.

(2) Available Capacity = 4.0 MGD RO + 4.0 MGD Surface Water **Limited to 4.0 MGD average under MFL Block 1 withdrawal restrictions

Peak Month Capacity Request	Average Daily Request	Annual Average Request
0.67 MGD	0.53 MGD	193 MGY

Water Purchase Request

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Contract History

Water Systems Interconnect and Water Transfer Contract

Original Agreement – September 2013

Executed for Operation of Phase 1A Pumping Station

1st Contract Amendment – February 2016

Amended for construction of the Phase 1 Pipeline

2nd Contract Amendment- December 2019

Amended to adjust annual water exchange limits



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Contract Terms

4. DELIVERY OF WATER The Parties may exchange or purchase water as-needed and mutually agreeable. The Parties agree to deliver water consistent with the following provisions:

4.1. Water Exchange

The Parties may exchange potable water during the course of a year to facilitate pipeline readiness or for other mutually agreed upon purposes.

4.2. Annual Available Water and Water Purchase

By February 15th of each year the City shall notify the Authority and the Authority shall notify the City of expected Available Water for the subsequent Contract Year. Based on these data, **by March 15th each Party shall notify the other of the intended Water Purchase, and provide an expected monthly quantity schedule for said Water Purchase. By April 15 of each year the Parties shall reach mutual agreement on Water Purchase amounts,** or in the event that agreement is not timely reached, the Water Purchase amount for the year shall be left open and reconsidered as needed and mutually agreeable. Water Purchase shall be at the Water Rate for the Contract Year in which quantities are delivered.

1.2. Authority Available Water

A quantity of potable water available from the Authority for delivery to the City **after the Authority has met its obligations to Authority Customers under the Master Water Supply Contract.**

1.18. Water Rate

The unit rate in \$/1000 gallons for water purchased by the City from the Authority or by the Authority from the City through the Interconnect(s). **Said rate shall be as adopted in the Authority's annual budget and established by resolution for interconnects with government entities not a party to the Master Water Supply Contract** for the Contract Year and applicable to both Parties.



Interconnect Charge

INTERCONNECT WATER CHARGE [GOVERNMENT RATE]

10/01/2013 to 09/30/2014

Water Charge to Municipalities Interconnected to Regional Transmission System (Charge per 1,000 Gallons)		
Water Rate (Charge per 1,000 Gallons)		
	\$3.30	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects up to quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.
	\$6.60	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects in excess of the quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.

Revenue received from these water sales will, at the discretion of the Authority Board, be applied as a credit toward the obligations of the Authority Customers apportioned to each of their allocations to the 'Available from Pool' in the Redistribution Pool for the current fiscal year. Water rate for emergency use unless Interlocal Agreement provides alternative water rate.



2013 Bulk User Charges

Local Non- Customer Wholesale/Bulk Water Rates			
Utility	Rate Resolution	Classification	Water Rate [\$/1,000 gal]
Charlotte County	Resolution No. 2012-019	Bulk Service	\$3.30
DeSoto County	Ordinance No. 2010-21	Bulk Customer	\$3.75
Manatee County	Resolution No. R-11-209	Wholesale Rate	<ul style="list-style-type: none"> • Up to reservation capacity: \$1.59 • Up to 20% reservation: \$3.19 • Over 20% reservation: \$5.56
Sarasota County	Resolution No. 2012-171	Wholesale Users	\$4.13
North Port	Resolution No. 09-R-45	None	N/A
Authority	2014 Approved Budget	Distribution Pool Rate (Base + Use Rate)	\$2.64



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2025 Bulk User Charges

Local Non- Customer Wholesale/Bulk Water Rates			
Utility	Rate Resolution	Classification	Water Rate [\$/1,000 gal]
Charlotte County	Resolution No. 2025-241	Bulk Service	\$4.57
DeSoto County	Ordinance No. 2010-21	Bulk Customer	\$3.75
Manatee County	Resolution No. R-23-058	Wholesale Rate	<ul style="list-style-type: none"> • Up to reservation capacity: \$2.47 • Up to 20% reservation: \$4.96 • Over 20% reservation: \$8.65 Plus \$15,433.35 per month per 1,000,000 reserve capacity
Sarasota County	Resolution No. 2025-249	Wholesale Users	\$5.29
North Port	Resolution No. 2025-R-66	None	\$8.63 within City limits \$9.92 outside City limits
Authority	2027 Tentative Budget	Distribution Pool Rate (Base + Use Rate)	\$4.06



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Interconnect Charge Options

	Option 1: (Pool Water Rate)	Option 2: 110%	Option 3: 125%	Option 4: 150%
Rate [\$/1,000 gal]	\$4.06	\$4.47	\$5.08	\$6.09

- Discuss and recommend Interconnect Water Charge (Government rate) for FY2027 Tentative Budget
- Approve Interconnect Water Charge (Government rate) in August as included in Final FY2027 Budget and Budget Resolution.



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FY 2027 Interconnect Charge

INTERCONNECT WATER CHARGE [GOVERNMENT RATE]

10/01/2026 to 09/30/2027

Water Charge to Municipalities Interconnected to Regional Transmission System (Charge per 1,000 Gallons)		
Water Rate (Charge per 1,000 Gallons)		
\$x.xx	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects up to quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.	
\$x.xx	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects in excess of the quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.	

Revenue received from these water sales will, at the discretion of the Authority Board, be applied as a credit toward the obligations of the Authority Customers apportioned to each of their allocations to the 'Available from Pool' in the Redistribution Pool for the current fiscal year. Water rate for emergency use unless Interlocal Agreement provides alternative water rate.



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Next Steps

- Consider Motion for water purchase
- Staff to coordinate with City on water deliveries as needed.
- Include new Interconnect Water Charge in FY2027 Tentative Budget
- Approve Interconnect Water Charge in August as included in Final FY2027 Budget and Budget Resolution.



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QUESTIONS??



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Motion

Motion to approve the request to purchase water by the City of Punta Gorda up to the quantities identified in the 5-Year Water Supply Projections table in Tab B, subject to annual available quantities.



TAB B
City of Punta Gorda Letter



CITY OF PUNTA GORDA

Utilities Department
326 WEST MARION AVENUE
PUNTA GORDA, FL 33950
Telephone: (941) 575-3339
Fax: (941) 575-5006
tspencer@CityofPuntaGordaFL.com

Friday, March 6, 2026

Peace River Manasota
Regional Water Supply Authority
9415 Town Center Parkway
Lakewood Ranch, FL 34202

Pursuant to Section 4 of the Water Systems Interconnect and Water Transfer Contract, as amended by the Second Amendment, the City of Punta Gorda hereby formally requests the temporary delivery of up to 2.0 MGD (Peak Day) of potable water through the Phase 1 Regional Interconnect or Phase 1A Pumping Station. As reflected in the Second Amendment, Section 4.1 allows for an annual imbalance carryover of up to sixty 60 MG, with quantities exceeding that threshold subject to invoicing at the established water rate.

This request is made on a temporary basis to supplement the City's potable water supply until completion and commissioning of the expansion of the City's reverse osmosis water treatment plant and wellfield, ending no later than May 1, 2030. This supplemental supply is also requested to maintain operational flexibility during construction and transition of treatment facilities, manage withdrawals in light of regulatory constraints, preserve system redundancy, and ensure uninterrupted delivery of potable water consistent with federal and state drinking water standards.

The City anticipates this temporary supply may be required through the construction completion and startup phase of the RO facility. Delivery would occur on a metered basis at the Phase 1 Interconnect delivery point or Phase 1A Pumping Station, with billing at the adopted Water Rate for the applicable Contract Year. Operational coordination would be conducted between Authority and City staff to schedule monthly quantities, and reconciliation would be handled consistent with the Water Exchange and Water Purchase provisions of the Agreement.

The City emphasizes that this request represents a defined bridge supply measure during a capital improvement phase and is not intended as a permanent capacity expansion. Upon commissioning of the RO plant expansion, the City anticipates returning to its normal supply configuration consistent with regional planning and regulatory compliance objectives.

We respectfully request written confirmation of Authority Available Water and associated operational parameters at your earliest convenience.

Sincerely,

Thomas C. Spencer
Utility Director
City of Punta Gorda

cc: Dr. Melissa Reichert – City Manager – MReichert@puntagordafl.gov
Brian Fuller – WTP Supervisor – BFuller@puntagordafl.gov
Steven Leonard – Regulatory Compliance Manager – Sleonard@puntagordafl.gov

City of Punta Gorda 5-Year Water Supply Projections

Year	Annual Avg Daily Demand (MGD)	Peak Month (1.26x AADD) ⁽¹⁾ (MGD)	Max Day (1.6x AADD) ⁽¹⁾ (MGD)	Available Capacity ⁽²⁾	PRMRWSA Request Peak Month (MGD)	PRMRWSA Request (AADD MGD)
FY26	6.58	8.29	10.53	8.00	0.29	0.23
FY27	6.64	8.37	10.62	8.00	0.37	0.29
FY28	6.70	8.44	10.72	8.00	0.44	0.35
FY29	6.77	8.53	10.83	8.00	0.53	0.42
FY30	6.83	8.61	10.93	8.00	0.53	0.42
FY31	6.88	8.67	11.01	8.00	0.67	0.53

Note: Represents the City's existing service area as served by the City of Punta Gorda Utilities. The City's future water demand projections were calculated by multiplying each year's population increase, based on BEBR projections, by an assumed per capita water use of 138 gpcd. This annual increase was then added to the previous year's water demand to estimate each year's annual average demand. Taken from the City of Punta Gorda Water Supply Plan - Final | 2024.

(1) Over the past 5 years, the highest monthly peaking factor occurred in 2021 at 1.26 and for maximum day peaking factor occurred in 2022 at 1.60.

(2) Available Capacity = 4.0 MGD RO + 4.0 MGD Surface Water **Limited to 4.0 MGD average under MFL Block 1 withdrawal restrictions

Peak Month Capacity Request	Average Daily Request	Annual Average Request
0.67 MGD	0.53 MGD	193 MGY

TAB C

Second Amendment to Water Systems Interconnect and Water Transfer Contract
Between the Peace River Manasota Regional Water Supply Authority
and the City of Punta Gorda



Peace River Manasota
Regional Water Supply Authority
9415 Town Center Parkway, Lakewood Ranch, FL 34202



SECOND AMENDMENT
TO WATER SYSTEMS INTERCONNECT AND WATER TRANSFER CONTRACT
BETWEEN THE PEACE RIVER MANASOTA REGIONAL WATER SUPPLY
AUTHORITY AND THE CITY OF PUNTA GORDA

This SECOND AMENDMENT entered into and effective this 4th day of December, 2019 by and between the PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY, an independent special district created pursuant to Section 373.1962, Florida Statutes, now found at Section 373.713, Florida Statutes, and Section 163.01, Florida Statutes, acting by and through its governing Board of Directors, hereinafter referred to as the "Authority", whose address is 9415 Town Center Parkway, Lakewood Ranch, Florida 34202, and the CITY OF PUNTA GORDA, a municipal corporation of the State of Florida, acting by and through its governing Board of City Commissioners, hereinafter referred to as the "City", whose address is 326 West Marion Avenue, Punta Gorda, Florida 33950, and collectively known as the "Parties".

WITNESSETH:

WHEREAS, the Authority and City entered into the Water Systems Interconnect and Water Transfer Contract Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda effective September 3, 2013 and amended February 17, 2016 ("Agreement"), which provides the procedure for the transfer of water through the interconnect of the Parties' respective water systems; and

WHEREAS, Section 18 of the Agreement provides that it may only be amended by a writing duly executed by the Parties; and

WHEREAS, Section 4 of the Agreement stipulates that the Parties may exchange or purchase water as needed and mutually agreeable; and

WHEREAS, Section 4.1 of the Agreement provides that any annual imbalance exceeding thirty (30) MG for the Contract Year shall be invoiced by the supplying Party to the receiving Party at the Water Rate by October 31 of each year; and

WHEREAS, the City is constructing a new reverse osmosis water treatment facility to improve water quality with completion scheduled for Contract Year 2020; and

WHEREAS, the City experienced water quality issues and construction issues impeding the delivery of water to the Authority during Contract Year 2019 resulting in the City exceeding the annual imbalance provided for in the Agreement; and

WHEREAS, the Parties wish to amend Section 4.1 of the Agreement to allow for annual imbalance of sixty (60) MG.

CHARLOTTE COUNTY CLERK OF CIRCUIT COURT
OR BOOK: 4544 PAGE 1131 PAGE: 1 OF 3
INSTR # 2790381 Doc Type: AGR
Recorded: 2/27/2020 at 1:37 PM
Rec. Fee: RECORDING \$27.00
Cashier By: NLANE

NOW THEREFORE, in consideration of the mutual terms and covenants and conditions contained herein, the parties hereby mutually agree to amend the Agreement as follows:

1. Section 4.1 of the of the Agreement is amended:

4.1 Water Exchange. The Parties may exchange potable water during the course of a year to facilitate pipeline readiness or for other mutually agreed upon purposes. Water Exchange is intended to net zero (0) at the end of each Contract Year. However, in any Contract Year where a balance remains, Water Exchange quantities less than or equal to sixty (60) MG shall be carried over into the next Contract Year beginning with the Contract Year 2019. Any annual imbalance exceeding sixty (60) MG for the Contract Year shall be invoiced by the supplying Party to the receiving Party at the Water Rate by October 31 of each year. The receiving Party shall pay the invoice within 30 days of receipt of the invoice. The Parties shall endeavor to make up any annual imbalance less than or equal to sixty (60) MG on a mutually agreeable schedule.

2. The terms, covenants and conditions set forth in the Agreement that have not been specifically amended herein, will continue in existence, are hereby ratified, approved and confirmed, and will remain binding upon the parties hereto.

IN WITNESS WHEREOF, the parties hereto, or their lawful representatives, have executed this FIRST AMENDMENT on the day and year set forth above.

ATTEST:

PEACE RIVER MANASOTA
REGIONAL WATER SUPPLY
AUTHORITY

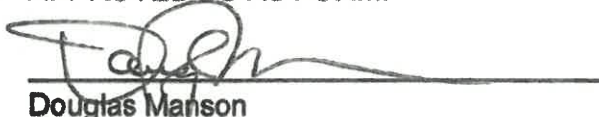


Patrick J. Lehman, P.E.
Executive Director



Elton A. Langford, Chair Date

APPROVED TO AS FORM:




Douglas Manson
General Counsel for Peace River Manasota
Regional Water Supply Authority

BOARD APPROVED

DEC - 4 2019

**Peace River Manasota
Regional Water Supply Authority**

ATTEST:



Karen Smith, City Clerk

CITY OF PUNTA GORDA

 2/19/20

Nancy Prafke, Mayor Date

APPROVED TO AS FORM:



David Levin
City Attorney for Punta Gorda

Return to: *Proposed 04*
Peace River Manasota Regional WSA
9415 Town Center Parkway
Lakewood Ranch, FL 34202



**FIRST AMENDMENT
TO WATER SYSTEMS INTERCONNECT AND WATER TRANSFER CONTRACT
BETWEEN THE PEACE RIVER MANASOTA REGIONAL WATER SUPPLY
AUTHORITY AND THE CITY OF PUNTA GORDA**

This FIRST AMENDMENT entered into and effective this 17 day of February, 2016 by and between the PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY, an independent special district created pursuant to Section 373.1962, Florida Statutes, now found at Section 373.713, Florida Statutes, and Section 163.01, Florida Statutes, acting by and through its governing Board of Directors, hereinafter referred to as the "Authority", whose address is 9415 Town Center Parkway, Lakewood Ranch, Florida 34202, and the CITY OF PUNTA GORDA, a municipal corporation of the State of Florida, acting by and through its governing Board of City Commissioners, hereinafter referred to as the "City", whose address is 326 West Marion Avenue, Punta Gorda, Florida 33950, and collectively known as the "Parties".

WITNESSETH:

WHEREAS, the Authority and City entered into the Water Systems Interconnect and Water Transfer Contract Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda effective September 3, 2013, which provided the procedure for the transfer of water through the interconnect of the Parties' respective water systems; and

WHEREAS, Exhibit 1 of the Agreement provides the locations and structures of the Delivery Point and Interconnect; and

WHEREAS, Section 18 of the Agreement provides that it may only be amended by a writing duly executed by the Parties; and

WHEREAS, the Authority and City entered into the Interlocal Agreement for Phase 1 Regional Interconnect Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda on December 2, 2015, which provides for a new pipeline project between the Parties ("Interconnect Interlocal"); and

WHEREAS, Section 10 of the Interconnect Interlocal requires the Parties to amend the Agreement within ninety (90) days of December 2, 2015 to include the Interconnect and Delivery Point provided for in the Interconnect Interlocal; and



WHEREAS, the Parties wish to amend Exhibit 1 of the Agreement to include a map showing the Interconnect provided for in the Interconnect Interlocal (Exhibit 1 of the Interconnect Agreement).

CHARLOTTE COUNTY CLERK OF CIRCUIT COURT
OR BOOK: 4066 PAGE 1277 PAGE: 1 OF 19
INSTR # 2425425 Doc Type: AGR
Recorded: 3/30/2016 at 2:58 PM
Rec. Fee: RECORDING \$163.00
Cashier By: TERESAH

NOW THEREFORE, in consideration of the mutual terms and covenants and conditions contained herein, the parties hereby mutually agree to amend the Agreement as follows:

1. Exhibit 1 of the Interconnect Interlocal is added to Exhibit 1 of the Agreement.
2. The terms, covenants and conditions set forth in the Agreement that have not been specifically amended herein, will continue in existence, are hereby ratified, approved and confirmed, and will remain binding upon the parties hereto.

IN WITNESS WHEREOF, the parties hereto, or their lawful representatives, have executed this FIRST AMENDMENT on the day and year set forth above.

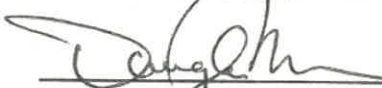
 ATTEST:

Patrick J. Lehman, P.E.
Executive Director

PEACE RIVER MANASOTA
REGIONAL WATER SUPPLY
AUTHORITY


Christopher G. Constance
Chair


1/28/16
Date

APPROVED TO AS FORM:


Douglas Manson
General Counsel for Peace River Manasota
Regional Water Supply Authority

BOARD APPROVED

JAN 28 2016

**Peace River Manasota
Regional Water Supply Authority**

ATTEST:



Karen Smith, City Clerk

CITY OF PUNTA GORDA


Rachel Keesling, Mayor
02/17/16
Date

APPROVED TO AS FORM:


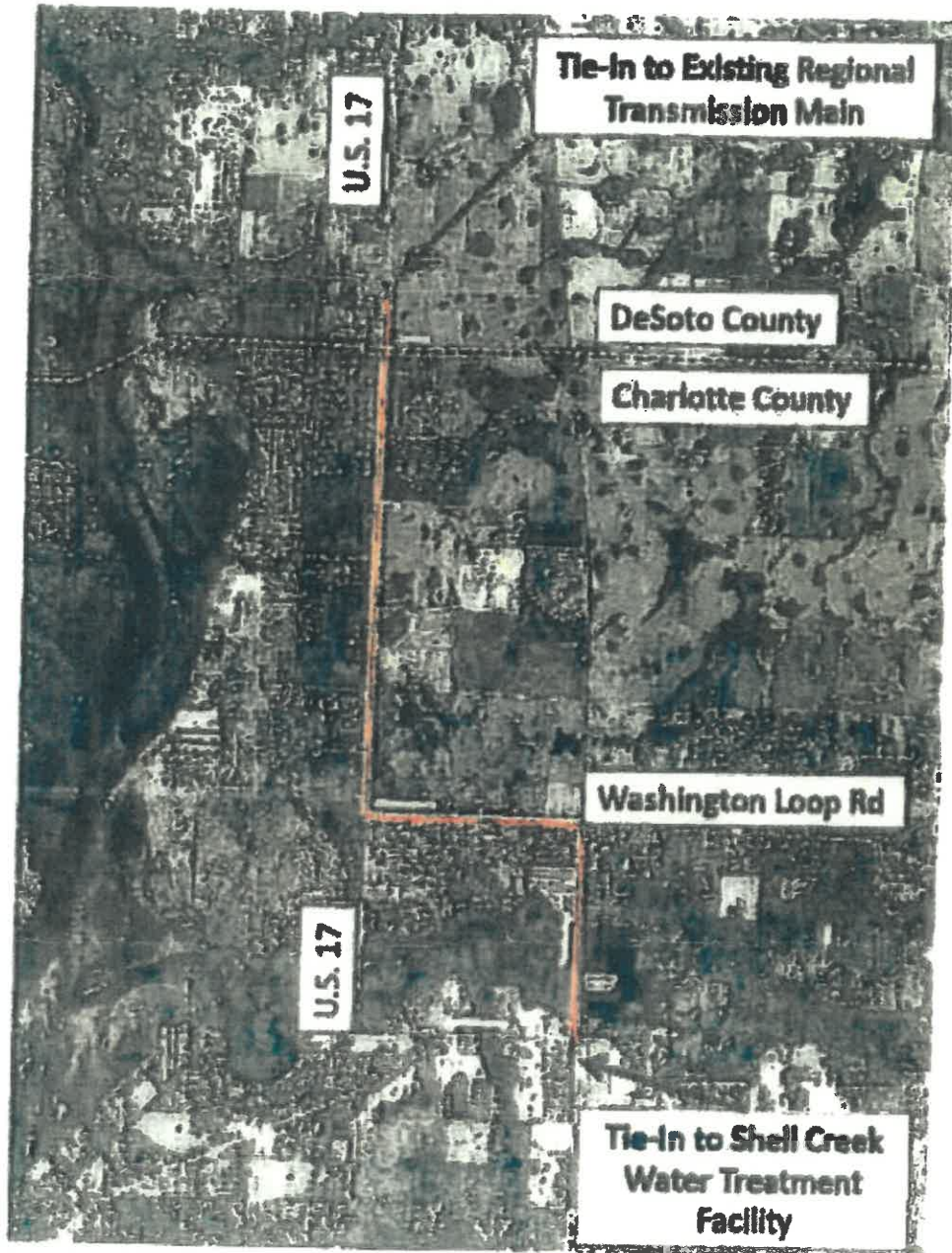

David Levin
City Attorney for Punta Gorda

EXHIBIT 1

**Phase 1 Interconnect
Proposed Pipeline Route
(U.S. 17 to Punta Gorda)**



**WATER SYSTEMS INTERCONNECT AND WATER TRANSFER CONTRACT
BETWEEN THE PEACE RIVER MANASOTA REGIONAL WATER SUPPLY
AUTHORITY AND THE CITY OF PUNTA GORDA**

This Contract, entered into this 3rd day of September, 2013, by and between the PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY, a regional water supply authority created and existing pursuant to Section 373.1962, Florida Statutes, as subsequently reenacted in Section 373.713, Florida Statutes, and created by interlocal agreement executed pursuant to Section 163.01, Florida Statutes, and other applicable law, acting by and through its Board of Directors, the governing board thereof ("Authority"); and the CITY OF PUNTA GORDA, a municipal corporation of the State of Florida, acting by and through its Board of City Commissioners, the governing board thereof ("City") collectively the "Parties."

WITNESSETH:

WHEREAS, the Parties entered into an Interlocal Agreement Between City of Punta Gorda and Peace River Manasota Regional Water Supply Authority for Water Interconnect dated October 4, 2006; and

WHEREAS, the Parties entered into a Water Supply Contract and Operational Agreement dated March 21, 2007, which addressed the interconnection of the Parties' water supply facilities and terminated the October 4, 2006 agreement; and

WHEREAS, the Authority owns and operates a regional water system including the Peace River Facility as a regional water supply source and regional transmission system that is interconnected to the water utility systems of Charlotte County, DeSoto County, Sarasota County, and the City of North Port; and

WHEREAS, it is the goal of the Authority to seek the interconnection of water systems in the region to the Authority's regional water system for the purpose of facilitating the transfer of

water among utilities under emergency, or other conditions, to provide a reliable and sustainable water supply to the residents of the region; and

WHEREAS, the City owns and operates the City of Punta Gorda Water Treatment Plant and water distribution system serving the residents of the City and unincorporated portions of Charlotte County; and

WHEREAS, the City seeks the interconnection of the City's water system to the Authority's regional water system; and

WHEREAS, the Authority and the City Water Systems are now interconnected to transfer water in either direction in case of emergency conditions and to further assure an adequate public drinking water supply for the Parties in the future; and

WHEREAS, the Parties agree to establish a procedure for the transfer of water through the interconnect of the Parties' respective water systems.

NOW THEREFORE, in consideration of the foregoing, which shall be deemed an integral part of this Contract and of the mutual covenants contained herein, the Parties intending to be legally bound hereby agree as follows:

1. **DEFINITIONS.** In the absence of a clear implication otherwise, capitalized terms used in this Contract and in the attached exhibits shall have the following meanings:

1.1. Authority. The Peace River Manasota Regional Water Supply Authority.

1.2. Authority Available Water. A quantity of potable water available from the Authority for delivery to the City after the Authority has met its obligations to Authority Customers under the Master Water Supply Contract.

1.3. Authority Regional Transmission System. Those facilities, including appurtenant and associated facilities owned by the Authority pertaining to the delivery and measurement

of potable water including but not limited to primary transmission pipes, real property, interest in real property, fixtures, personal property.

- 1.4. Available Water. Water from either Party meeting the definition of Authority Available Water and/or City Available Water.
- 1.5. City Available Water. A quantity of water available from the City for delivery to the Authority generally comprised of the surplus of potable water which remains after the City has accounted for its local needs, including customer demands, operational constraints and regulatory capacity.
- 1.6. City Water System. All real property, interest in real property, fixtures, personal property, wells, buildings, treatment systems, pumps, pipes, storage facilities, reservoir(s), aquifer storage and recovery facilities and appurtenant or associated facilities owned by Punta Gorda and pertaining to the delivery and measurement of potable water.
- 1.7. Conjunctive Water Use Permit. The Southwest Florida Water Management District water use permit number 20012926.000 and as subsequently renewed or modified.
- 1.8. Contract Year. The period between execution of this Agreement and September 30, 2013, and each fiscal year (beginning on each October 1, and ending on the immediately following September 30) thereafter during the term of this Contract.
- 1.9. Delivery Point(s). The physical locations(s) of interconnection between the Authority's Regional Transmission System and the City's Water System shown in Exhibit 1.
- 1.10. Interconnect(s). The structure(s) installed by the Authority at the Delivery Point(s), that enable(s) water transfer/delivery between the Authority's Regional Transmission System and the City's Water System shown in Exhibit 1.

- 1.11. Master Water Supply Contract. The Peace River Manasota Regional Water Supply Authority Master Water Supply Contract dated October 5, 2005 and as subsequently amended within operational constraints and regulatory capacity.
- 1.12. MGD. Million gallons per day.
- 1.13. MGY. Million gallons per year.
- 1.14. Party or Parties. Party shall mean a signatory to this Contract. Parties shall mean the City and the Authority.
- 1.15. Water Exchange. Available Water agreed to be exchanged on a gallon-for-gallon basis during the course of a Contract Year to facilitate pipeline readiness or for other mutually acceptable purposes.
- 1.16. Water Meter(s). The water meter(s) located at the Delivery Point(s) that measure all water flowing through the Interconnect(s).
- 1.17. Water Purchase. Available Water agreed to be purchased by either party and paid for on a unit cost basis for metered quantities delivered.
- 1.18. Water Rate. The unit rate in \$/1000 gallons for water purchased by the City from the Authority or by the Authority from the City through the Interconnect(s). Said rate shall be as adopted in the Authority's annual budget and established by resolution for interconnects with government entities not a party to the Master Water Supply Contract for the Contract Year and applicable to both Parties.
- 1.19. Water Supply Emergency. A loss or reduction in system capacity caused by drought or a sudden, unexpected, unavoidable interruption in water delivery as declared by the Authority Board or the City of Punta Gorda City Council.

2. **TERM.** The term of this Contract shall begin on the date of its complete execution by the Parties and shall end upon completion of the 10th year from the complete execution date. This Contract may be terminated at any time by a written agreement duly executed by both Parties. Unless notice is given at least 45 days prior to the end of the first term, this Contract shall automatically renew for a second 5-year term under the same terms and conditions.

3. **INTERCONNECT(S).** The Interconnect(s) provide(s) water supply connection between the City's Water System and the Authority's Regional Transmission System for an increase in capacity and reliability in both systems.

3.1. Ownership. The Authority is the owner of the Interconnect(s) and Water Meter(s).

3.2. Water Meter(s). The following provisions set forth the Parties' obligations with respect to the Water Meter(s).

3.2.1. Operation. The Authority shall operate and maintain the Water Meter(s) to measure all water flowing in either direction through the designated Delivery Point(s).

3.2.2. Meter Reading and Maintenance. The Authority shall read and maintain the Water Meter(s). The Authority shall maintain complete and accurate records of its water measurements. Water flow measurements recorded by the Authority shall be the exclusive means of determining the quantity of water delivered to the Delivery Point(s) under this Contract. The metering equipment shall be of standard make and type, installed at a readily accessible location, and shall record flow with accuracy sufficient to meet all applicable reporting requirements. The Authority will check the accuracy of the Water Meter(s) annually, provide a report regarding the condition, accuracy and state of the Water Meter(s) and provide for a certified calibration test and any appropriate

recalibration. Upon request and at the expense of the City, the Authority shall make arrangements for a meter test to be conducted by an independent testing facility which shall conform to the manufacture's standards and where appropriate conduct the test as a field test. The City may be present when the Water Meter(s) are checked for accuracy, and the test records shall be made available for inspection by the City upon reasonable request. If the accuracy of the Water Meter(s) is determined to be at least five (5) percent beyond the limits prescribed by the manufacturer, the Water Meter(s) will be assumed to have been inaccurate from the mid-point of the time since the last annual inspection, or the last calibration, or the last independently certified test, or the last six (6) months whichever is less. The following month's billing will be adjusted taking into account the nature of the inaccuracy to show a credit or additional charge for the metered flow for that period.

4. **DELIVERY OF WATER.** The Parties may exchange or purchase water as needed and mutually agreeable. The Parties agree to deliver water consistent with the following provisions:

4.1. Water Exchange. The Parties may exchange potable water during the course of a year to facilitate pipeline readiness or for other mutually agreed upon purposes. Water Exchange is intended to net zero (0) at the end of each Contract Year. However, in any Contract Year where a balance remains, Water Exchange quantities less than or equal to thirty (30) MG shall be carried over into the next Contract Year. Any annual imbalance exceeding thirty (30) MG for the Contract Year shall be invoiced by the supplying Party to the receiving Party at the Water Rate by October 31 of each year. The receiving Party shall pay the invoice within 30 days of receipt of invoice.

- 4.2. Annual Available Water and Water Purchase. By February 15th of each year the City shall notify the Authority and the Authority shall notify the City of expected Available Water for the subsequent Contract Year. Based on these data, by March 15th each Party shall notify the other of the intended Water Purchase, and provide an expected monthly quantity schedule for said Water Purchase. By April 15 of each year the Parties shall reach mutual agreement on Water Purchase amounts, or in the event that agreement is not timely reached, the Water Purchase amount for the year shall be left open and reconsidered as needed and mutually agreeable. Water Purchase shall be at the Water Rate for the Contract Year in which quantities are delivered.
- 4.3. Water Quality. The Parties shall deliver water of good and uniform quality to the Delivery Point(s). The water delivered to the Delivery Point(s) shall be stabilized and shall meet all federal, state or regional regulations and orders relating to drinking water without regard to water quality exemptions, variances or similar regulatory relief authorized at the federal, state or regional government level.

5. **JOINT EFFORTS.** The City and Authority shall cooperate with regard to the following:

- 5.1. Operation and Maintenance of Interconnect. The Authority and the City shall coordinate operation of the Interconnect for the mutual benefit of both Parties. The Authority shall operate and maintain the Interconnect and pipeline segments to the north of the Interconnect, bearing all costs for such activity. The City shall have limited remote access via supervisory control and data acquisition (“SCADA”) software to view operating conditions in the City’s system at the Interconnect and have personnel access to the facilities for inspection purposes. The City shall operate and maintain the Interconnect

pipeline segment along Washington Loop road for the mutual benefit of both Parties, conducting routine maintenance at its cost. The City is not to modify this pipeline segment (adding valves, taps, meters, etc.) without prior written consent of the Authority. Major repairs on the Interconnect pipeline segment along Washington Loop will be the responsibility of the Authority and will be coordinated with the City.

5.2. Permits. Each Party agrees to cooperate with the other on support of any permits, including the Conjunctive Water Use Permit, required for maintenance and operation of the Interconnect.

5.3. Existing Permittees.

5.3.1. The Authority recognizes the City is an existing permittee on Shell Creek and the Authority agrees that it will not interfere with the City's permitted water use.

5.3.2. The City recognizes the Authority is an existing permittee on the Peace River and the City agrees that it will not interfere with the Authority's permitted water use.

6. **REPRESENTATIONS OF THE PARTIES.** The Parties make the following representations:

6.1. Each Party is duly organized and existing in good standing under the laws of the State of Florida and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Contract.

6.2. Each Party has the power, authority and legal right to enter into and perform its obligations set forth in this Contract, and the execution, delivery and performance by it a) has been duly authorized by its governing body; b) does not require any other approvals by any other governmental officer or body; c) does not require any consent or referendum of the voters; d) will not violate any judgment, order, law or regulation applicable to the

If to Authority: Patrick J. Lehman, Executive Director
9415 Town Center Parkway
Lakewood Ranch, Florida 34202

Any change of notification address or person shall be in writing and delivered pursuant to this provision.

8. **DISCLAIMER OF THIRD PARTY BENEFITS.** This Agreement is solely for the benefit of the Parties. No right or cause of action shall accrue upon or by reason hereof enure to or for the benefit of any third party.

9. **ASSIGNMENT.** This Agreement shall be binding on the Parties, their representatives, successors and assigns. Neither Party shall assign this Agreement or the rights or obligations hereof to any other person or entity without the prior written consent of the other Party.

10. **INDEMNIFICATION.** Neither Party shall indemnify the other Party. Each Party acknowledges that its legal remedy shall be limited to filing suit against the other Party to this Contract in a court of competent jurisdiction.

11. **APPLICABLE LAW/DISPUTES.** This Contract and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida. Any dispute involving litigation between the Parties is subject to all provisions of Chapter 164, Florida Statutes. The Parties agree that venue for any litigation over this Agreement shall be in Charlotte County, Florida.

12. **DEFAULT AND REMEDY.** Recognizing the region's paramount need for a safe and dependable source of water supply, the Parties agree the remedy for a breach of the Contract shall be specific performance, injunctive relief and any other equitable relief, as well as monetary damages.

13. **RELATIONSHIP OF THE PARTIES.** Nothing herein shall be deemed to constitute any Party a partner or joint venturer, or to create any fiduciary relationship among the Parties.

14. **WAIVER.** Unless otherwise specifically provided by the terms of this Contract, no delay or failure to exercise a right resulting from any breach of this Contract shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the Party granting such waiver. If any representation, warranty or covenant contained in this Contract is breached by any Party and thereafter waived by another Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressly or impliedly, any other breach under this Contract.

15. **AUTHORIZED REPRESENTATIVES.** For purposes of this Contract, the Parties authorized representatives are as follows: the Authority Executive Director and the City Manager. Any Party may change its authorized representative at any time by written notice to the other Party.

16. **SECTION CAPTIONS AND REFERENCES.** The section headings and captions contained herein are included for convenience only and shall not be considered part of this Contract or affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Contract.

17. **SEVERABILITY.** In the event any provision of this Contract shall, for any reason, be determined invalid, illegal or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modifications or supplements to this Contract or such other appropriate actions as shall, to the maximum extent practicable in the light of such

determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Contract, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

18. **AMENDMENT.** This Contract may only be amended by a writing duly executed by the Parties.

19. **ENTIRE AGREEMENT.** This Contract and exhibits attached shall constitute the entire agreement of the Authority and the City with respect to the Interconnect and shall supersede the Water Supply Contract and Operational Agreement dated March 21, 2007 between the Authority and the City, and the Interlocal Agreement Between City of Punta Gorda and Peace River Manasota Regional Water Supply Authority for Water Interconnect dated October 4, 2006.

20. **FURTHER ASSURANCES.** The Authority and the City shall use all reasonable efforts to provide such information, execute such further instruments and documents and take actions as may be reasonably requested by the other Party and not inconsistent with the provisions of this Contract and not involving the assumption of obligations or liabilities different from, in excess of or in addition to those expressly provided for in this Contract to carry out the intent of this Contract.

21. **CONSENTS.** To the extent that the consent of any Party to this Contract is required as a condition to the action of other Parties, such consent shall not be unreasonably withheld.

22. **RECORDATION OF INTERLOCAL AGREEMENT.** This Contract shall constitute an interlocal agreement pursuant to Section 163.01, Florida Statutes. A true and

correct copy of this Contract and any subsequent amendments shall be recorded by the Authority with the Clerk of the Circuit Court in Charlotte and Manatee Counties.

23. **AMBIGUITY.** The Parties agree that each one has played an equal part in the negotiation and drafting of this Contract, and in the event any ambiguity should be asserted or realized in the interpretation or construction of this Contract, the result of such ambiguity shall be equally assumed and realized by each Party.

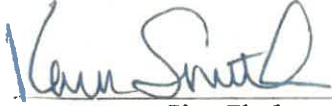
24. **SOVERIGN IMMUNITY.** The Parties intend to avail themselves to the benefits of Sections 768.28 and 163.01(9)(c), Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. In accordance with Section 163.01(5)(o), Florida Statutes, therefore the City is not jointly liable for the torts of the officers or employees of the Authority, or any other tort attributable to the Authority, and that only the Authority shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. Similarly, under Section 163.01(5)(o), Florida Statutes, therefore the Authority is not jointly liable for the torts of the officers or employees of the City, or any other tort attributable to the City, and that only the City shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. The Parties intend the Authority and the City to have all the privileges and immunities from liability and exemptions from laws, ordinances, rules and common law which apply to the municipalities of the State of Florida. Nothing in this Contract is intended to inure to the benefit of any third-party for the purposes of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

25. **GOOD FAITH.** The Parties agree to exercise good faith and fair dealing in respect to all matters relating to this Contract.

IN WITNESS WHEREOF, the Parties have executed this Contract for the purposes expressed.

ATTEST:

CITY OF PUNTA GORDA, FLORIDA



Karen Smith City Clerk



William F. Albers, Mayor

APPROVED AS TO FORM:



David Levin
City Attorney for Punta Gorda

PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

ATTEST:



Patrick J. Lehman, Executive Director



Nora Patterson, Chair

APPROVED AS TO FORM:



Douglas Manson, General Counsel for the
Peace River/Manasota Regional Water Supply Authority

BOARD APPROVED

SEP 3 2013

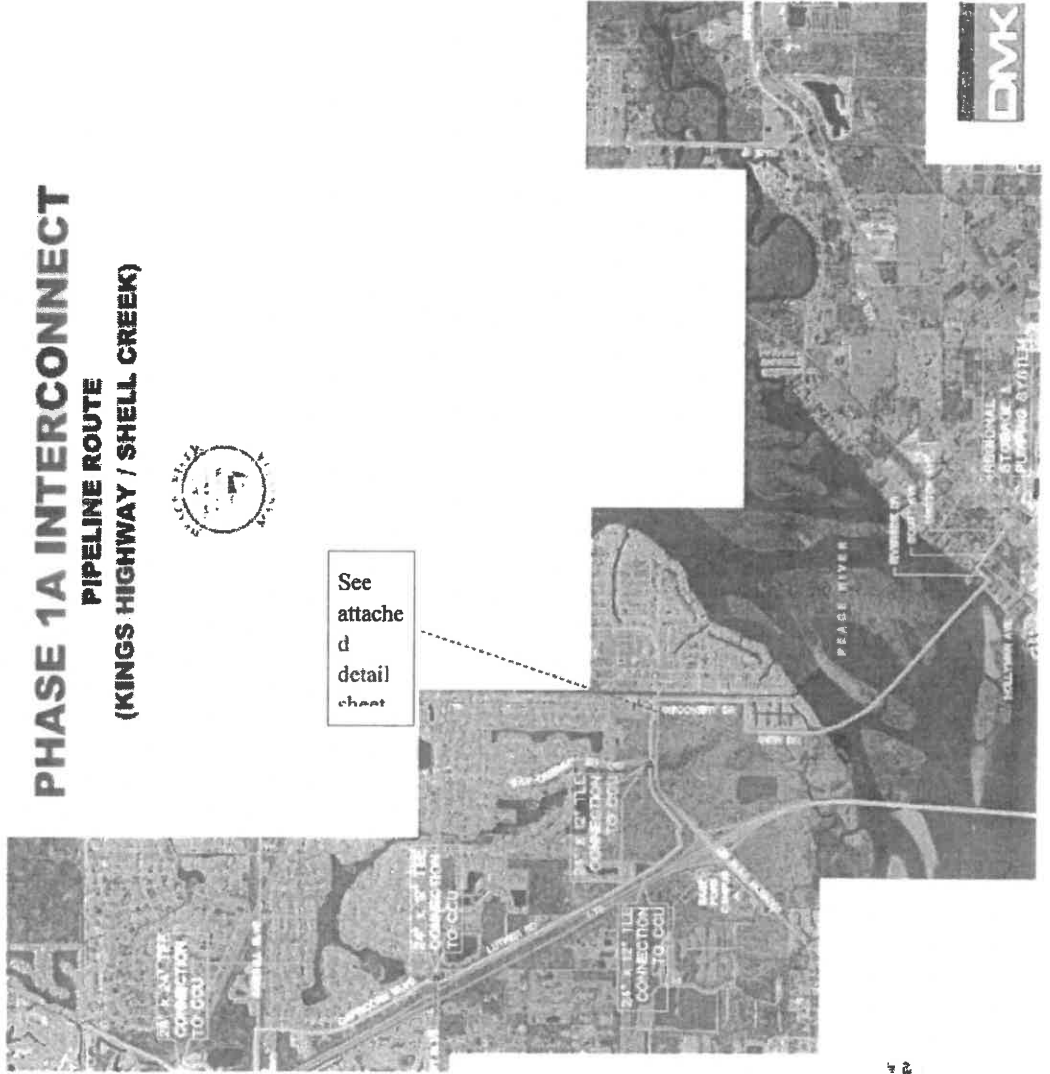
**Peace River Manasota
Regional Water Supply Authority**

EXHIBIT 1

**PHASE 1A INTERCONNECT
PIPELINE ROUTE
(KINGS HIGHWAY / SHELL CREEK)**



See
attache
d
detail
sheet



Detail Sheet

